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Annual Report 1966-1967



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New York City Transit Authority

Annual Report 1966-1967

JOSEPH E. O'GRADY
Chairman
(Retired December, 1966)



JOHN J. GILHOOLEY
Member



DANIEL T. SCANNELL
Member

Submitted to:

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Governor

THE HON. ARTHUR LEVITT
Comptroller

THE HON. WARREN M. ANDERSON
Chairman, Senate Finance Committee

THE HON. HARVEY M. LIFSETT
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OF THE STATE OF NEW YORK

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OF THE CITY OF NEW YORK

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and 2500 of the Public Authorities Law*

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The Transit Authority's determined efforts to revitalize the City's transit system registered further progress during 1966-1967. As in previous years, the most dramatic progress was replacement of overage subway cars and buses with new vehicles equipped with such improvements as air-conditioning.

Two hundred BMT-IND stainless steel subway cars were delivered: 190 were assigned to replace outmoded cars. The remaining ten were assigned to a test of air-conditioning that led to a decision to air-condition future new cars.

More new transit vehicles were running on city streets as well as on subway rails with the delivery throughout the year of 682 new air conditioned buses: 202 to the Transit Authority and 480 to the Authority's surface subsidiary, the Manhattan and Bronx Surface Transit Operating Authority.

Subway and bus service was extended or modified in response to changing patterns of passenger travel. Through such methods as its station platform lengthening program, the Authority sought to increase the passenger-carrying capacity of the subway system. Similarly, the Authority made progress in installing improved power facilities.

BMT-IND Unification Moves Forward

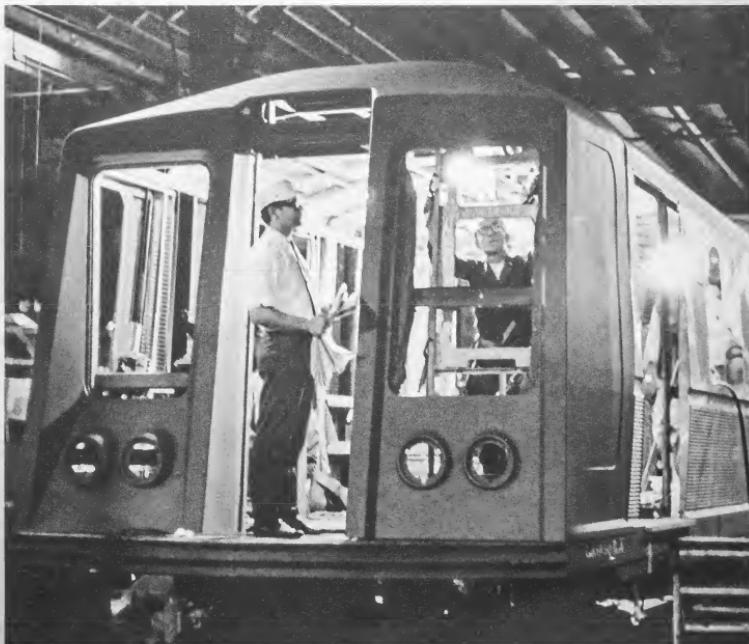
The City was at the threshold during the 1966-67 fiscal year of the most extensive subway service improvement in decades: the \$100,000,000 DeKalb Avenue-Chrustie Street-Sixth Avenue project, the major part of which was placed in operation the latter part of November, 1967. The result was to further unify the BMT and IND divisions, providing the subway system with a flexibility that makes it more responsive to the transit needs of passengers.

As the Authority moved to assure that this subway service improvement provided optimum service for the maximum number of passengers, it also was proceeding with plans for another significant subway service project: the new Queens-Manhattan subway tunnel at 63rd Street.

While planning for the future, the Authority, through its preventive maintenance program was making certain that existing transit facilities were providing the best possible service. Through other efforts, such as the program for improved lighting on stations, the Authority was upgrading existing facilities. Looking toward progress in still another area, the Authority was readying plans to launch a station beautification and modernization pilot program.

The Authority also took steps to improve the appearance of operating personnel who accompany passengers while traveling. Newly designed uniforms were issued to subway conductors and bus drivers.

Besides making subway service more attractive, the Authority was planning to make it more flexible by creating two new transfer points. And the Authority has



Construction of 400 new subway cars began during the year at the St. Louis Car Division of General Steel.

succeeded in providing more convenience for passengers through its program to modernize elevators and escalators.

No matter how efficient, economical, convenient or comfortable, the transit system becomes, it will not achieve its full potential of service to the city unless passengers understand how they can make maximum use of transit services. Accordingly, the Authority prepared a more informative subway map and reorganized its travel information techniques.

Above all, the system must be safe. The Authority's safety record in operations is well known. Throughout the year the Authority added a new dimension to the first word of its "Safe, Swift, Sure" slogan by continuing to assure maximum protection for passengers through its extensive and intensive policing program.

As a result of its continuing program designed to adapt subway service to the needs of passengers, the Authority instituted the following daily (Monday through Friday) improvements: express service on the IRT Flushing line, a one-hour exten-

Graphics and new equipment were featured in an Authority exhibit at a Washington conference on transportation sponsored by the Housing & Urban Development Department.



sion of IRT Lexington Avenue evening express service to the East Bronx, and the operation of three additional IRT Lexington Avenue express trains into Flatbush Avenue during evening rush hours.

A further result of the service-improvement program in July 1967, was the addition of through service to Far Rockaway via "A" trains. This improvement was achieved by altering operations so that most "A" trains that previously terminated at Euclid Avenue continued to Far Rockaway.

Another service improvement was planned for late 1967 with the operation of 10-car trains on the IRT 7th Avenue express line. Addition of an extra car was made possible by completion of another phase of the Authority's station-lengthening program.

The City's most significant subway-service improvement since the opening of the IND subway in 1932 began to benefit passengers the latter part of 1967 when a major link between the BMT and IND divisions went into operation at Chrystie Street on the Lower East Side of Manhattan. This permitted the following:

- Express service via the Manhattan Bridge from Coney Island through Brooklyn, direct to Avenue of the Americas (6th Avenue) and the 205th Street station in the Bronx.

- A new rush hour service from the 168th Street (Broadway) station in Manhattan to the Coney Island (Stillwell) station via 8th Avenue local tracks to the 59th Street station in Manhattan, then via Avenue of the Americas (6th Avenue) express tracks, including a new express-track tunnel built under 6th Avenue, then via the Brooklyn 4th Avenue express tracks on the West End line to Coney Island.
- A non-rush hour express service between Coney Island and West 4th Street via the West End line, Manhattan Bridge and 6th Avenue line.
- Increased rush-hour service passing the DeKalb station in Brooklyn. (From 65 trains with 520 cars to 80 trains with 670 cars.)
- A new passenger station at Grand and Chrystie Streets to serve residents of Manhattan's Lower East Side.

Two-way radio communication between trains and subway-operations headquarters having been proved feasible by a test conducted on the IRT Lexington line between 125th Street and Bowling Green stations, the Authority has begun installing equipment throughout the IRT Division. Installations on BMT and IND Divisions are being prepared.

Smoother and faster service on the IRT Lexington line has been achieved through installation of a new signal system between 125th Street and 86th Street.



Bus Driver George DeBetta and Conductor Ronald Ross modeled new uniforms issued to all bus operators and subway conductors for Chairman Joseph E. O'Grady, right, and Transit Authority Member Daniel T. Scannell.

Extensive track and signal work being conducted in the Coney Island yard will enhance the flexibility and storage capacity of the yard. Not only will this work permit faster train control operations but also will provide storage capacity that will make further service improvements possible.

Bus operations also were adjusted to the needs of passengers. To serve Staten Island Community College, Route R-6X (Clove Road Shuttle) was put in operation June 26, 1967. During summer months Route R-7A (Brooklyn-Midland Beach) was operated ten Saturdays, eleven Sundays and two Mondays.

As a result of a successful six-month trial, Route B-83 (Pennsylvania Avenue) was made permanent August 23, 1966. Route Q-16 (Flushing-Clearview-Fort Totten) was modified in response to new passenger travel patterns brought about by the Board of Education's re-districting and open enrollment program.

The Authority's Surface Division moved ahead with installation of two-way radio communication between the 4,200 buses operated by the Authority and its subsidiary, the Manhattan and Bronx Surface Transit Operating Authority, and bus-operations headquarters in East New York.

The Surface Division again won the American Transit Association's highest award for passenger and traffic safety, the Silver Award. This is the fifth American Transit Association Silver Award won by the Authority's Surface Division. These five top awards together with two American Transit Association Special Citations brought the Division's safety award record to seven awards in nine years.

In addition, National Safety Council Safe Driver Awards were won by 3,515 of the Authority's 5,100 bus drivers.

200 More New Cars in Subway Fleet

Two hundred more sparkling stainless steel subway cars were added to the Authority's fleet. Incorporated into these cars were design and mechanical improvements developed by Transit Authority engineers in cooperation with engineers of subway car manufacturers. These included picture windows, decorator interiors in pastel colors, thermostatically controlled ventilation and heating with adjustable-speed fans, stainless steel fittings and vandal-proof fiberglass seats. Built of low alloy, high tensile steel for strength in the frames and underbody, the cars have stainless steel sides and an aluminum roof for weight reduction and beauty of appearance. Ten of the new cars were fitted with air-conditioning equipment and testing devices to measure the effectiveness of the equipment in the New York City rapid transit system.

Besides the 200 new cars delivered, 400 more were ordered. The design of the 400 was derived from recommendations to the Authority by Raymond Loewy/William Snaith, Inc., industrial designers. Streamlined, the cars will have molded fiberglass ends raked back 10 degrees in contrast to the conventional perpendicular end on other Transit Authority subway cars. The cars on order will also have slightly rounded sides and a more flowing exterior treatment generally.

John J. Gilhooley, Transit Authority Member, congratulates Probationary Patrolman James W. Murray on successful completion of training. Captain Charles Gathercole looks on at police ceremony.



Besides putting new subway cars in service, the Authority continued to improve older subway cars. Fibreglass seats have been installed in 550 cars and work is progressing on installation of such seats in 700 other cars. Three hundred twenty car exteriors and 269 car interiors have been repainted. Work is progressing on construction of two subway car washing machines: one at the IRT 239th Street yard, one at the IRT Pelham yard.

Major subway car maintenance completed included overhaul of 135 subway cars, 4,819 traction motors, 421 motor generator sets and 481 sets of door engines. In addition, 980 car compressors were rebuilt and 387 car floors resurfaced.

A new escalator installed at the IRT Pelham Bay line East 177th Street-Parkchester station was the first to be equipped with an automatic threshold treadle that activates the escalator when a passenger steps on the treadle. The escalator having proved successful, the Authority planned to make treadle-activated escalators standard for all future installations. The advantage of the automatic treadle is that the escalator is available when needed for passenger use and may be shut off periodically to assure maximum service life and reliability.

Obsolete escalators were replaced at two stations, the Park Place and Borough Hall stations of the IRT 7th Avenue line, and an obsolete elevator at the 149th Street-Grand Concourse station of the IRT White Plains line was replaced with a high-speed automatic type.

Station entrance capacities were increased by replacing outmoded turnstiles at 15 station entrances and rearranging fare controls at three other station entrances.

Eight subway and three elevated stations were painted. Twenty-two wooden windshields at elevated platforms were replaced by metal panels. Over 400 miles of subway walls, ceilings and river tunnels were washed. The vacuum cleaning train cleaned 910 miles of tracks in front of station platforms and 1,125 miles of track between stations.

Increased power and power distribution facilities for additional service on the BMT Brighton line were furnished through the installation of two 2-unit 3,000 kilowatt silicon rectifiers at substations as well as circuit breakers, an emergency alarm system, and power, control and telephone cables.

Other power equipment was installed in the IND Division Harlem Substation. Throughout the system 8.77 miles of contact (third) rail and 4.56 miles of contact rail cable were installed.

Things Were Kept in Shape

Running rail replaced totaled 451,575 feet and weighed 7,526 tons. Guard rails replaced totaled 38,941 feet and weighed 649 tons. The number of new track ties installed was 66,956.

Rail grinding operations were conducted on 1,517,395 feet of rail, and the number of rail bonds replaced was 25,410. Track ballast replaced amounted to 8,583 cubic yards. There were 172,875 feet of track tamped. Twenty outmoded switches were replaced by new ones. This is expected to reduce train delays caused by switch failures.

A test of audio frequency track circuits was completed on the BMT Sea Beach line. Adoption of this type of circuit would reduce a major cause of signal interruption by eliminating insulated rail joints. It also would afford an improved power return system.

Routine signal maintenance included replacement of 250,000 feet of wire and cable, 13,000 feet of messenger wire and 40,000 fireproof cable straps. In addition, 25,000 signal rail bonds were installed and 100 obsolete switch mechanisms and automatic train stop mechanisms were replaced with the latest equipment. Signaling on the BMT Broadway line was improved by replacing the overworked electro-mechanical relay code system with a solid state system.

Completion of the \$100,000,000 DeKalb Avenue-Chrystie Street-Sixth Avenue project was the major construction achievement of the year. The first stage of the multi-phased project was finished in May, 1962 when six tracks at the BMT DeKalb Avenue station were realigned to eliminate train-delaying grade crossings and new modern signals were installed to increase further the capacity of these tracks.

Although the DeKalb reconstruction permitted more trains to be operated, existing BMT tracks in Manhattan could not carry additional trains. The solution was to divert BMT trains to IND tracks. This was accomplished by building the tunnel under Manhattan's Chrystie Street. This tunnel connects BMT tracks on the Manhattan and Williamsburgh Bridges with IND tracks in the vicinity of Houston Street.

Subway construction is heavy work. Here new steel columns are being placed for platform lengthening at Lawrence Street, Brooklyn.



The Chrystie Street phase of the project includes a new subway station at Manhattan's Grand Street.

Another phase of the project involved construction of a two-track tunnel under Avenue of the Americas (Sixth Avenue) beneath the existing tunnel and connecting with tracks at 9th Street and 31st Street. Although no stations will be built presently for this tunnel, provisions have been made for construction of stations at 14th Street and 23rd Street in the future.

The final phase of the project entails extending the Avenue of the Americas (Sixth Avenue) tracks from 52nd Street to 58th Street and construction of a station at 57th Street. The track extension and station are practically completed. Installation of power connections, ventilation and drainage equipment, signals, as well as track bonding is scheduled to be completed sometime near the middle of 1968.



Safety is foremost. Here materials inspectors examine subway car truck frames for any casting defects.

Another way the Authority is trying to increase service is by lengthening station platforms, which will permit the Authority to operate longer trains. This service-improvement program involves only BMT and IRT stations since IND stations initially were built long enough to accommodate currently operational train lengths up to ten cars.

The IRT platform extension program will be completed shortly when platforms of the Broadway-7th Avenue stations from Rector Street to Pennsylvania station inclusive have been lengthened.

During the year extensions of BMT Brighton line stations from Avenue H to Stillwell Avenue, except for the Sheepshead Bay station and part of the West 8th Street station, were completed. Work has begun on extension of platforms of BMT 4th Avenue line stations at Court Street and Lawrence Street. These two stations also are to receive improved escalator service and new signaling equipment.

Plans and specifications are being prepared for extending stations from Whitehall Street to Fifth Avenue in Manhattan and from Pacific Street to 95th Street in Brooklyn. Extension of the BMT Lexington Avenue station will be accomplished by a separate contract, which will also provide for an additional mezzanine and turnstiles at the Third Avenue end of the station. The remainder of the BMT platform extension program consists of lengthening stations on the Sea Beach and West End lines.

A four-track tunnel to be constructed between 41st Street and Vernon Boulevard in Queens and 63rd Street and York Avenue in Manhattan will provide two tracks for subway trains and two for Long Island Rail Road trains. Planning and design of the tunnel was a joint project of the Transit Authority and the Metropolitan Commuter Transportation Authority, which operates the Long Island Rail Road. Legislation adopted in 1967 provided for the Transit Authority to become a unit of the Metropolitan Authority early in 1968 with the chairman and members of the Metropolitan Transportation Authority becoming the chairman and members of the New York City Transit Authority.

Contracts for alternate methods of constructing the tunnel were being prepared. One is the compressed air shield-driven method. The other is the "trench" or "sunken tube" method, which consists of placing prefabricated concrete tunnel sections into a subaqueous trench. The Authority retained consultants to assist with the preparation of plans and specifications for the "trench" alternate.

A treadle-operated escalator was installed at the East 177th Street (Parkchester) Station for greater passenger convenience.



The Authority also retained consultants for a study and determination of the most useful and efficient way to connect the tunnel with existing or proposed rapid transit lines in Queens and Manhattan.

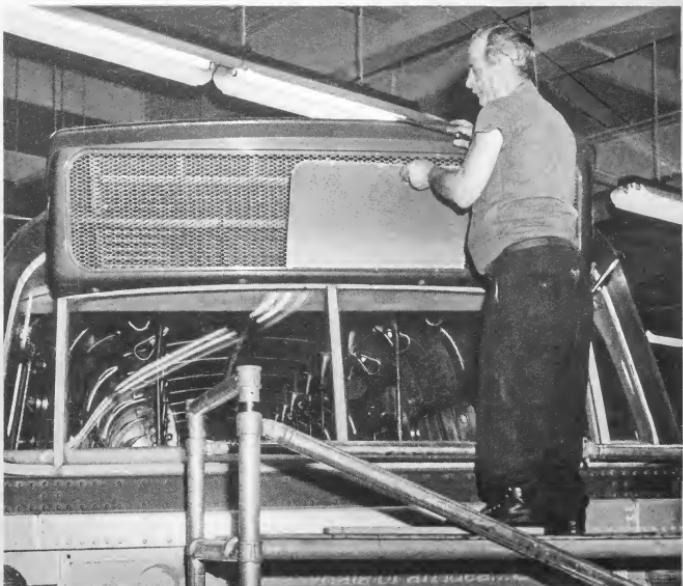
Plans and specifications were being prepared for constructing two new free transfer points: between the Fifth Avenue station on the Flushing-Times Square line and the 42nd Street station of the Avenue of the Americas (Sixth Avenue line) and between the 51st Street station of the Lexington Avenue line and the Lexington Avenue station of the Queens line.

The Authority was also planning to launch a pilot station-beautification and modernization project designed to devise techniques to make stations more esthetically and functionally effective. The 49th Street station of the Broadway line will be used in the pilot project. The present design concept calls for illuminated signs at street level, changes in stairway approaches, renovating turnstile areas so as to achieve smoother passenger flow, a lighting system with different lighting intensities for



Bus drivers receive special training in operation of two-way radio being installed in more than 4,000 buses.

Air-conditioning units are standard equipment on all new buses.



various station areas, greater use of color, more legible signs and maps and wide use of glass, stainless steel, quarry tile and terrazzo flooring.

The Authority moved ahead with its program to replace wooden platforms at elevated stations with precast concrete slabs estimated to wear at least four times as long as wood. During the year concrete slabs were installed on Pelham line stations from Zerega Avenue to Pelham Bay Park. Contracts were delivered for such installation on the White Plains Road line from the 177th Street station to the 241st Street station. A final contract for installation of concrete slabs at six remaining White Plains Road line stations was planned for the coming year.

The Authority's improved lighting program provides for installation of fluorescent lighting strips along stations and in turnstile areas as well as the rehabilitation of tunnel lighting. By the end of 1966-1967 fluorescent lighting strips had been installed at 103 IRT, 74 BMT, and 26 IND stations.

Rehabilitation of lighting in the Flushing line Steinway tunnel from Grand Central station to Vernon-Jackson station was underway, and contracts for installation of



Special displays describing transit job opportunities were placed in a bus for the Authority exhibit at a WCBS-TV career fair.

fluorescent lighting at 11 Eighth Avenue line stations were scheduled to be delivered.

The Authority's 8:00 PM-to-4:00 AM maximum police protection program continued to prove effective. Under this program, a policeman was assigned to every station and every train from 8:00 PM to 4:00 AM, the hours during which there had been a high incidence of subway crime.

Felonies reported during 1966-1967 totaled 195, a decrease of 35 or 15.2% from the 1965-1966 figure of 230. As the maximum police protection program was started in April, 1965, the effectiveness of the program may be measured by comparing the 1966-1967 figure of 195 felonies with the 1964-1965 figure of 504 felonies, a reduction of 309 or 61.1%.

The figures for total number of crimes reported were 928 in 1966-1967, a decrease of 593 or 38.9% from the 1965-1966 figure of 1521, and a decrease of 1454 or 61% from the 1964-1965 figure of 2382.

Total arrests for 1966-1967 were 1,010, a decrease of 41.8% from the 1965-1966 figure of 1,736. Felony arrests during 1966-1967 were 142, a decrease of 30.7% from the previous year's figure of 205.

Besides making transit travel comfortable, efficient and safe, the Authority continued its efforts to develop travel information techniques that would enable passengers to make maximum use of transit services.

Special consultants were engaged to help develop a new subway map and a more legible and attractive signage system. The new map and signs were introduced near the end of 1967 along with the improved subway service made possible when the Chrystie Street tunnel linking the BMT and IND was placed in operation.

The Authority introduced its new color-coding system of identifying subway routes. Each route is represented by its individual color and code letter or number

both on the map and on passenger-information signs at stations. A passenger may trace the route of a particular subway line on the map by following the appropriate color. In addition, the map indicated the code letter or number of trains stopping at each station.

Professor Stanley Goldstein of Hofstra University served as special consultant to the Authority in the development of the subway map. Unimark International, graphic arts specialists whose work includes serving as consultants for the signage system of the Milan, Italy subway, assisted the Authority in developing the new signage system for New York City subways.

In an allied move to strengthen its passenger-information techniques, the Authority refined and expanded its travel-information services. Keystone of this program was the centralization of subway and bus passenger-information units. A Travel Information Center was established in the Authority's headquarters. It is manned 24 hours a day, seven days a week by full-time specially-trained personnel.

Rules and Regulations Published

As part of its effort to improve service, discourage nuisances to passengers and protect the transit system, the Authority filed with the Secretary of State in Albany rules to regulate the conduct of passengers on subways, stations and buses. The result was a formal code which incorporated many rules and regulations that were in effect over the years but were derived from diverse sources such as operating regulations and municipal laws. Booklets containing the rules were distributed to all token booths, where any passenger may pick up a copy free. Transit police may issue summonses to persons violating any of the rules. Violators may be fined \$25, sentenced to up to 10 days in jail or both.

To assure a steady supply of trained transit personnel, the Authority continued to make every effort to strengthen its recruitment and training programs.

Throughout the year, 12,541 potential appointees and promotees were canvassed. Of these, 2,689 applicants were appointed to permanent positions and 607 were appointed to provisional, temporary or non-competitive positions. The number of promotees, both permanent and provisional, was 1,525.

The Authority appointed 475 additional transit patrolmen during the year, bringing the uniformed force of the Transit Police Department to 2,991 as of June 30, 1967.

In addition to its regular recruitment program, the Authority participated in a Career Fair, sponsored by WCBS-TV in association with the New York City Board of Education. Held in the Kingsbridge Armory in The Bronx from May 1 to May 12, the Career Fair was visited by high school students.

Visitors to the Transit Authority exhibit were invited to board a 40-foot bus in which graphic materials describing career opportunities in the City's transit system were displayed. A uniformed conductor, bus driver, and transit patrolman as well as a representative of the Authority's Personnel Department distributed literature and answered visitors' questions.

2 (One of the names is called Code of Ethics 15

To develop employees with the skills and knowledge essential to transit service, the Authority conducts a comprehensive training program. During the year a total of 31,120 trainees received a total of 1,079,050 hours of instruction.

The Authority not only teaches its employees but also learns from them. It continued to reap the dollar-saving benefits of employee participation in the suggestion program. For the calendar year 1966, employees submitted 545 suggestions, which resulted in total savings to the Authority of \$139,554. Eighty employees received a total of \$4,360 in cash awards and 12 won certificates of merit.

The Results of Operation

The results of operation for the fiscal year ended June 30, 1967 showed a loss of \$14.1 million. This compared with a loss of \$60.6 million for the prior fiscal year. The decrease in loss amounting to \$46.5 million was due to an increase in revenue of \$82.1 million offset by an increase in expenses of \$35.6 million. As explained in greater detail below the increase in revenue was due to an increase in fare from 15¢ to 20¢ on July 5, 1966.

The accumulated operating deficit balance at the beginning of the current fiscal year was \$69,631,394. The operating loss for the year of \$14,097,338. was offset by an item of extraordinary income arising from a claim against the City of New York for the transportation of police, firemen, etc. from January 9, 1961 to January 9, 1967 in the amount of \$11,869,768, reducing the loss to a net loss of \$2,227,570. This resulted in an accumulated operating deficit balance of \$71,858,964. In December of 1966, \$4 million was transferred from the surplus of Manhattan and Bronx Surface Transit Operating Authority increasing the cumulative amount transferred to \$23 million. This amount, and the other item of contributed surplus of \$16,222,663 representing materials and supplies previously transferred by the City of New York brought the total contributed surplus to \$39,222,663. for a net accumulated deficit of \$32,636,301.

Rapid transit operations for the fiscal year ended June 30, 1967, before taking into consideration the extraordinary income item, resulted in a loss of \$18,032,997. This was offset by a net income from surface operations of \$3,935,659, resulting in the net operating loss of \$14,097,338.

Passenger revenue for the fiscal year ended June 30, 1967 amounted to \$354,597,000 compared with revenue for the prior fiscal year of \$270,758,000. This increase of \$83,838,000 consisted of an increase in rapid transit revenue of \$65,173,000 and an increase in bus revenue of \$18,665,000. An analysis of the increase in passenger revenue indicated that the increase in the fare from 15¢ to 20¢ on July 5, 1966 contributed almost \$75,000,000 of the total increase. The other increase was caused by the fact that in the fiscal year ended June 30, 1966, passenger revenue showed a loss due to the transit strike during that fiscal year of about \$10,000,000. This was offset partially by revenue from the World's Fair in that year amounting to about \$2,000,000.

A new subway control unit was placed in operation in 1966-67 at Essex Street in Manhattan for trains running in the area.



The other factors effecting passenger revenue offset one another and had a minor effect on the total passenger revenue for the period.

An analysis of the passenger statistics for the fiscal year ended June 30, 1967 indicated a loss in passengers due to the increase in fare on July 5, 1966, even though a comparison of the 1967 fiscal year with the prior year shows only a minor change. This is caused by the fact that in the prior fiscal year there was a transit strike with a loss in passengers almost equal to the loss this year due to the fare increase. If the strike and other factors are eliminated from the comparison, there remains a loss of about 70 million passengers due to the increase in fare, about equally divided between rapid transit and bus. This represents a loss of about 2½% on rapid transit and about 8% on bus.

A comparison of revenue from sources other than passengers for the two fiscal years indicated a decrease of \$1.7 million. This decrease was the result of a reduction in interest income of about \$800,000 due to lower cash balances in the bank during fiscal 1967 as compared to average balances in the prior fiscal year and to the prior year's credit of \$900,000 for an unusual non-recurring write-off of liability for prepaid transportation. There was no significant change in advertising or concession income.

Salaries and wages, pension costs, social security, and health and welfare benefits for the fiscal year 1967 amounted to \$348.6 million representing 96% of total revenues. In the fiscal year ended June 30, 1966, these costs amounted to \$314.7 mil-



Mrs. Jeanette Weitz, supervisor of lost property, with some of the things passengers leave behind in trains and stations.

lion or 112% of the total revenues for 1966. This decrease was caused by the fare increase rather than by a decrease in costs. Expressed as a percentage of total operating expenses, labor costs and related expenses for the fiscal year ended June 30, 1967 are 92.69% compared with 92.42% for the fiscal year ended June 1966. The salaries and wages increased \$24.1 million in fiscal 1967 compared to fiscal 1966. Half of this increase was due to increases in wage rates and working conditions, about \$7 million to the fact that 1966 salaries and wages were lower because of the strike in January 1966. The balance of the increase was due to accelerated maintenance of rapid transit cars and equipment and increased costs of police services. It should be noted that the increased cost of salaries and other fringe benefits for police was offset by a similar increase in reimbursement from the City of New York for such costs. The increases in pensions, social security, and health and welfare benefits were caused by the increase in payrolls as well as an increase in those costs based on a percentage of payroll.

The other items of expense indicated an increase of \$4.5 million arising as follows: increased usage of materials and supplies, fuel for buses, power and miscellaneous expenses. These increases result from 1966 costs being lower by about \$1 million due to the strike in January 1966, approximately \$1 million additional for uniforms for certain operating employees, about \$1.5 million for accelerated car maintenance expenses and additional contract maintenance of approximately \$1 million.

Appendix

New York City Transit Authority

Comparative Statement of Revenues and Expenses (in millions)

		Fiscal Year Ended	Change from
		June 30, 1967	June 30, 1966
Revenues			
Passengers	\$354.6	\$270.8	\$+ 83.8
Other Sources	7.4	9.1	— 1.7
	<hr/>	<hr/>	<hr/>
	\$362.0	\$279.9	\$+ 82.1
Expenses			
Salaries, Wages and Related Personnel costs....	348.6	314.7	+ 33.9
Materials, Supplies, Power	49.0	45.3	+ 3.7
Reserves	6.0	6.0	—
Miscellaneous	8.3	7.5	+ .8
Prior Year Credit	—	(1.7)	1.7
Credit from City for Transit Police Costs.....	(35.8)	(31.3)	+ (4.5)
	<hr/>	<hr/>	<hr/>
	\$376.1	\$340.5	\$+ 35.6
Net Income (Loss) Before Adjustments	\$ (14.1)	\$ (60.6)	\$— (46.5)
Extraordinary Income (a)	11.9	—	+ 11.9
Net Income (Loss) After Adjustments	\$ (2.2)	\$ (60.6)	\$— (58.4)

(a) Income from New York City for transportation of Police, Firemen, etc., from January 9, 1961 to January 9, 1967.

NOTE: Results of operation for year ended June 30, 1966 affected by transit strike January 1-13, 1966.

Revenue Passengers (in thousands)

Ten Years from July 1, 1957 to June 30, 1967

Fiscal Year Ended June 30	Rapid Transit	Surface	System Total
1958	1,319,457	413,050	1,732,507
1959	1,324,054	416,601	1,740,655
1960	1,344,953	431,014	1,775,967
1961	1,362,736	432,371	1,795,107
1962	1,369,507	445,812	1,815,319
1963	1,362,252	457,285	1,819,537
1964	1,366,184	468,821	1,835,005
1965	1,346,021	470,787	1,816,808
(a) 1966	1,284,775	457,869	1,742,644
1967	1,298,485	434,209	1,732,694
World's Fair (Excluded Above)			
1964	8,323	1,100	9,423
1965	16,864	2,619	19,483
1966	11,064	1,820	12,884

(a) Disruption of service due to Transit strike from January 1 to 13, 1966 of approximately 70 million passengers; Rapid Transit 52 million; Surface 18 million.

New York City Transit Authority

Statement of Assets and Liabilities at June 30, 1967

Assets

Current assets:

Cash (Including \$6,400,000 Time Deposits)	\$ 22,212,106
NYCTA Social Security Fund	3,796,914

Accounts receivable and unbilled charges:

Accounts receivable:	
City of New York	\$26,091,239*
Others	1,088,975
Capital expenditures and other charges to be billed to City of New York and others	<u>1,907,925</u>
	29,088,139
Less: Reserve for unreimbursed capital expenditures and other receivables	<u>260,000</u>

Accrued interest receivable	28,828,139
Prepaid expenses and other assets	162,379
	<u>2,125,768</u>

Total current assets	57,125,306
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Other assets:

Accounts receivable due after one year:	
City of New York	6,412,806
Others	<u>143,947</u>
Total other assets	6,556,753

Materials and supplies, at average cost	19,049,470
Less: Allowance for inventory adjustments	<u>860,000</u>
	18,189,470
	185,073

Deferred charges

Assets from funds derived from long term debt:

Rapid transit passenger cars	72,550,148
Unexpended proceeds from long term debt	7,853,009
Debt retirement fund with trustee	1,913,333
Unamortized bond expenses	91,201
Unamortized debt on cars sold to City of New York	<u>2,029,809</u>
	84,437,500
Less: Unreimbursed bond amortization	<u>717,500</u>

Deposits from contractors, concessionaires and others

83,720,000
1,929,524
<u>\$167,706,126</u>

* Includes claim for transportation of Police, Firemen, etc., from January 9, 1961 to January 9, 1967 approved by New York City Board of Estimate on June 9, 1967, reflected in Surplus as Extraordinary income.

Liabilities

Current liabilities:

Accounts payable	\$ 10,485,654
Accrued salaries and wages	4,613,754
Payroll taxes withheld and accrued	9,993,299
Amounts payable to the New York City Retirement System	27,881,656
Liability for prepaid transportation	4,406,813
Estimated liability for employee death benefits	<u>2,000,000</u>

Total current liabilities

59,381,176

Other liabilities:

Estimated amount accrued for payment to the New York City Retirement System	32,611,727
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Estimated liabilities:

Public liability	\$16,200,000
Workmen's compensation	<u>6,500,000</u>
	22,700,000

Long term debt:

Serial Bonds due November 1, 1967	2,870,000
Serial Bonds due November 1, 1968 and successive years	<u>80,850,000</u>
	83,720,000

Liability for deposits from contractors, concessionaires and others

1,929,524

Surplus:

From operations:	
Deficit balance June 30, 1966	(69,631,394)
Loss for year	\$ (14,097,338)
Extraordinary income*	<u>11,869,768</u>
Net loss	(2,227,570)
Accumulated operating deficit June 30, 1967	(71,858,964)

Contributed surplus:

By City of New York (Materials and Supplies)	16,222,663
By Mabstoa (Surplus Grants)	<u>23,000,000</u>
	39,222,663
	<u>(32,636,301)</u>
	<u>\$167,706,126</u>

New York City Transit Authority

Disposition of Bond Proceeds at June 30, 1967

	1962 Series A Bonds	1963 Series A Bonds	Total
Bond Proceeds Account:			
Cash and Securities on deposit.....	\$ 985,639	\$ 1,309,572	\$ 2,295,211
Debt Service Reserve Fund:			
Cash and Securities on deposit as guarantee of payment of principal and interest on the bonds..	3,147,925	2,409,873	5,557,798
Unexpended Proceeds from long term debt.....	\$ 4,133,564	\$ 3,719,445	\$ 7,853,009
Miscellaneous bond expenses.....	55,834	35,367	91,201
Rapid Transit Passenger Cars:			
Proceeds expended for cars received (see note)..	46,710,602	34,545,188	81,255,790
Total Bond Issue.....	\$50,900,000	\$38,300,000	\$89,200,000
Less Bonds Retired.....	3,195,000	2,285,000	5,480,000
Bonds Outstanding at June 30, 1967.....	<u>\$47,705,000</u>	<u>\$36,015,000</u>	<u>\$83,720,000</u>

Status of Bond Funds at June 30, 1967

Issued	Total Proceeds	1962 Series A Bond Proceeds Account	1963 Series A Bond Proceeds Account	Debt Service Reserve Fund
November 1962	\$50,900,000	\$47,752,075	\$ —	\$ 3,147,925
August 1963	38,300,000	—	35,890,127	2,409,873
	<u>\$89,200,000</u>	<u>\$47,752,075</u>	<u>\$35,890,127</u>	<u>\$ 5,557,798</u>
Cost of Cars Purchased (See Note)				
To June 30, 1966.....	81,160,280	46,710,602	34,449,678	—
	<u>\$ 8,039,720</u>	<u>\$ 1,041,473</u>	<u>\$ 1,440,449</u>	<u>\$ 5,557,798</u>
Fiscal Year 1966-67	95,510	—	95,510	—
	<u>\$ 7,944,210</u>	<u>\$ 1,041,473</u>	<u>\$ 1,344,939</u>	<u>\$ 5,557,798</u>
Misc. bond expenses	91,201	55,834	35,367	—
Unexpended	<u>\$ 7,853,009</u>	<u>\$ 985,639</u>	<u>\$ 1,309,572</u>	<u>\$ 5,557,798</u>

NOTE: Pursuant to Agreements with the City of New York, title to 79 cars costing \$8,705,642 was transferred to the City.

New York City Transit Authority

Statement of Results of Operation for Fiscal Year Ended June 30, 1967

Revenues:	Total	Rapid Transit	Surface
Passenger Revenue	\$326,717,424	\$251,342,470	\$ 75,374,954
School Fare Program Revenue from City.....	27,879,078	12,181,825	15,697,253
Total Passenger Revenue.....	\$354,596,502	\$263,524,295	\$ 91,072,207
Advertising	3,660,467	2,987,065	673,402
Station Concessions	2,678,334	2,678,334	—
Interest Income	292,563	217,211	75,352
Rentals and Miscellaneous	788,852	734,508	54,344
Total Revenues	\$362,016,718	\$270,141,413	\$ 91,875,305
Expenses:			
Salaries and Wages.....	\$292,901,397	\$226,175,498	\$ 66,725,899
Pension Costs — City Retirement System	33,852,354	27,070,799	6,781,555
Social Security — Employer's Share.....	10,723,358	8,281,134	2,442,224
Health and Welfare Benefits.....	11,126,149	8,732,926	2,393,223
Power Purchased	29,266,911	28,834,889	432,022
Fuel for Buses	1,792,777	—	1,792,777
Materials and Supplies.....	17,950,214	14,643,081	3,307,133
Rentals of Tires, Trucks and Other Equipment..	2,102,392	1,380,667	721,725
Provision for Public Liability	5,000,000	2,900,000	2,100,000
Provision for Workmen's Compensation.....	1,000,000	773,015	226,985
Maintenance by Outside Parties.....	2,833,104	2,634,622	198,482
Miscellaneous	3,364,081	2,546,460	817,621
Credit from City for Transit Police Services.....	(35,798,681)	(35,798,681)	—
Total Expenses	\$376,114,056	\$288,174,410	\$ 87,939,646
Net Income (Loss) Before Adjustments.....	\$ (14,097,338)	\$ (18,032,997)	\$ 3,935,659
Extraordinary Income (a).....	11,869,768	8,713,614	3,156,154
Net Income (Loss) After Adjustments.....	\$ (2,227,570)	\$ (9,319,383)	\$ 7,091,813
(a) Income from New York City for transportation of Police, Firemen, etc., from January 9, 1961 to January 9, 1967.			
Revenue Car and Bus Miles.....	382,255,763	316,263,593	65,992,170
Revenues per Car and Bus Mile.....	94.71¢	85.42¢	139.22¢
Expenses per Car and Bus Mile.....	98.39¢	91.12¢	133.26¢
Revenue Passengers	1,732,693,914	1,298,484,890	434,209,024
Average Rate of Fare	20.10¢	20.09¢	20.16¢
Revenues per Revenue Passenger.....	20.89¢	20.80¢	21.16¢
Expenses per Revenue Passenger	21.71¢	22.19¢	20.25¢
Number of Employees:	36,740		
Hourly Rated	28,735		
Annually Rated	8,005		

Number of Revenue Passengers of Surface Divisions (in thousands)

Fiscal Year Ended June 30	Brooklyn	Staten Island	Queens	Manhattan	Total
1958	282,871	25,126	71,257	33,796	413,050
1959	283,059	25,392	73,806	34,344	416,601
1960	292,427	25,770	77,068	35,749	431,014
1961	290,132	26,296	79,578	36,365	432,371
1962	298,955	26,406	80,330	40,121	445,812
1963	304,461	27,344	84,337	41,143	457,285
1964	306,828	28,433	89,703	43,857	468,821
1965	305,572	28,783	91,830	44,602	470,787
(a) 1966	297,000	27,864	89,587	43,418	457,869
1967	277,686	27,486	88,131	40,906	434,209
World's Fair (Excluded Above)					
1964	615	—	485	—	1,100
1965	1,481	—	1,138	—	2,619
1966	1,084	—	736	—	1,820

(a) Disruption of service due to Transit strike from January 1 to 13, 1966.

**Average Number of Saturday, Sunday & Holiday Passengers
as a Percentage of Average Weekday Passengers**

Fiscal Year Ended June 30	Rapid Transit Lines	Surface Lines	System Total
1958	37.22%	48.66%	39.86%
1959	38.19	48.75	40.64
1960	37.29	48.95	40.03
1961	37.70	49.88	40.65
1962	37.71	49.19	40.44
1963	37.61	48.14	40.18
1964	*37.45	*47.69	*39.99
1965	*36.95	*46.98	*39.47
(a) 1966	*37.58	*47.09	*40.01
1967	37.76	45.82	39.73

In the year ended June 30, 1967, the average number of passengers per weekday was 4,425,348 on the rapid transit and 1,434,464 on the surface lines.

* World's Fair passengers in 1964, 1965 and 1966 were eliminated for purpose of comparison with other years.

(a) Disruption of service due to Transit strike from January 1 to 13, 1966.

**Peak Hour Rapid Transit Passengers as a Percentage
of the 24-Hour Total on a Typical Weekday**

	Two Morning Peak Hours 7 - 9 A.M.	Three Evening Peak Hours 4 - 7 P.M.
1958	25.91%	30.84%
1959	26.09	30.92
1960	25.77	30.83
1961	25.40	29.69
1962	25.57	30.54
1963	25.51	30.12
1964	24.90	30.40
1965	25.34	30.06
1966	25.71	30.64
1967	25.32	30.55